

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda Of:
February 1, 2005

TO: Board of Supervisors
FROM: Department of Employment Services And Risk Management
SUBJECT: 2005-2006 General Salary Adjustment For Unrepresented Employees
Contact: David Devine, Director, 874-6388

Overview

Consistent with the pattern for represented employees, non-bargaining unit employees are recommended to receive the same range of 2 percent to 5 percent salary adjustment effective June 26, 2005. Traditionally the non-represented employees have received the same general cost of living increase as all other bargaining units. Approval of this adjustment provides a single standard for the entire workforce and is needed at this time so it can be included in the development of the Fiscal Year 2005-06 budget and in order to allow for timely updates to the payroll system.

Multi-year agreements have been negotiated for all bargaining units and provide annual salary adjustments of a minimum 2 percent to a maximum 5 percent, based upon the Consumer Price Index for the period March 2004 to March 2005. The employees represented by the Sacramento County Professional Accountants Association (SCPAA) and the Sacramento County Attorneys Association (SCAA) will receive the same salary adjustment as the non-bargaining unit employees.

Recommendation

1. Approve the following concept of the annual salary adjustment for unrepresented job classes: Effective June 26, 2005, a minimum salary increase of 2 percent shall be paid to non-bargaining unit employees. If the increase in the United States City Average Consumer Price Index for Urban Wage Earners and Clerical Workers between March 2004 and March 2005 is greater than 2 percent, the salary increase (rounded to the nearest one-tenth of 1 percent) shall be equal to the amount of the increase in the Consumer Price Index up to a maximum increase of 5 percent.
2. Authorize the Director of Employment Records and Training to administratively prepare the necessary Salary Resolution Amendment documents to reflect Recommendation #1.

Fiscal Impact

At a minimum the total increased cost is \$4,555,800 Countywide and \$2,701,000 in net General Fund costs. The minimum increase represents an average hourly increase of \$.67 for the unrepresented classes and totals \$3.7 million in gross Countywide costs and \$2.2 million in net General Fund costs. The minimum increase for classes represented by SCPAA totals \$175,500 in gross County wide costs and \$100,000 in net General Fund costs. The minimum increase for classes represented by the SCAA totals \$680,300 in gross Countywide costs and \$401,000 in

net General Fund costs. The identified salary adjustment costs will be built into the base budget for Fiscal Year 2005-2006.

BACKGROUND:

The County workforce includes non-bargaining unit job classes who are designated Unrepresented (Management, Administrative, Confidential, Unrepresented, and Data Processing Professionals). Historically, annual compensation adjustments for non-bargaining unit employees mirror salary adjustments negotiated for represented classes. Classes represented by the Sacramento County Professional Accountants Association and the Sacramento County Attorneys Association have salary relationships tied to the non-bargaining unit job classes.

As a result of the agreements currently in place with all bargaining units, the re-negotiation of terms for all represented employees will occur in 2006. It is the County's intent to keep the bargaining cycle the same for all bargaining units. This will allow future cost of living adjustments for unrepresented employees to be heard by your Board for a similar approval cycle to mirror the terms approved by your Board for represented employees.

DISCUSSION:

All of the multi-year labor agreements for represented employees that have been approved for fiscal year 2005-2006 contain the following provision:

Effective June 26, 2005, a minimum salary increase of 2 percent shall be paid to employees in each classification. If the increase in the United States City Average Consumer Price Index for Urban Wage Earners and Clerical Workers between March 2004 and March 2005 is greater than 2 percent, the salary increase (rounded to the nearest one-tenth of 1 percent) shall be equal to the amount of the increase in the Consumer Price Index up to a maximum increase of 5 percent.

In addition, the Agreement between the County and the Sacramento County Attorneys' Association includes language that provides salary increases to the group when attorneys in County Counsel's Office receive adjustments and the Sacramento County Professional Accountants Association includes language that links changes to the Administrative/Confidential non-bargaining units.

Although the Consumer Price Index for the period March 2004 to March 2005 has not been identified at this time, the actual Consumer Price Index increase for the first eight months is a cumulative 2.13 percent increase. The actual cost of living adjustment will be the same as that given to represented classes.

FINANCIAL ANALYSIS:

Based upon the 2 percent minimum, the costs for the recommended increase are estimated as follows:

<u>Employee Group</u>	<u>Gross County Costs</u>	<u>Net General Fund</u>	<u>#Positions</u>
Unrepresented	\$3.7 million	\$2.2 million	2,155.5
Accountants	\$175,500	\$100,000	74.8
Attorneys	<u>\$680,300</u>	<u>\$401,000</u>	<u>272.4</u>
Totals	\$4,555,800	\$2,701,000	2,502.7

It should be noted that equities approved in November 2004 affected less than one third of the represented employees. Approval of this cost of living adjustment will assure equal treatment for all employees (represented and unrepresented) and will mitigate any compaction issues resulting from the cost of living adjustments for represented. The cost of living adjustment does not include the salary of the County Executive which is considered separately. The projected salary adjustment cost has previously been included in the five year budget model and will be included in the base budget for Fiscal Year 2005-2006.

Submitted by,

David Devine, Director
Employment Services and Risk Management

APPROVED

Terry Schutten
County Executive

By
Mark Norris, Administrator
Internal Services Agency